

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

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MARK J. SALADINO TREASURER AND TAX COLLECTOR

March 27, 2003

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TO: Supervisor, Yvonne Brathwaite Burke, Chair

Supervisor Gloria Molina Supervisor Zev Yaroslavsky Supervisor Don Knabe /

Supervisor Michael D. Antonovich

Mark J. Saladind FROM: Mark J. Salading Treasurer and Tax Collector

SUBJECT: HIGH-SPEED MAIL SORTER ACQUISITION

Item No. 58 on the April 1, 2003 Board Agenda is our recommendation to authorize the replacement of a High-Speed Mail Sorter with the Fast Forward system for the Treasurer and Tax Collector at a cost of approximately \$420,000.

The purchase will replace the existing high-speed mail sorter equipment that is over 10 years old and beyond its original useful life. As a result, the Department has been notified by the United States Postal Service (USPS) that the current sorter equipment (camera and optical character reader (OCR)) cannot be re-certified, which will result in significantly higher postage rates for the County if the machine is not replaced.

The mail sorter equipment enables significant postage discounts through barcoding and pre-sorting of U.S. mail. The Fast Forward feature provides for automated address changes, which are on file with the USPS. Based upon the Department's in house current workload of nearly 4 million pieces of mail per year, it is estimated that continued utilization of this equipment will generate at least \$265,000 in postage savings on an annual basis at the current postage rates.

The replacement of the current sorter equipment will enable the Treasurer and Tax Collector to process various tax documents in accordance with Sections 2610.5 and 2910.1 of the California Revenue and Taxation Code in a more efficient and cost-effective manner. Additionally, the Department will continue to process outgoing mail for Business Licenses, Agricultural Commissioner/Weights and Measures, Department of Public Works, Department of Mental Health (Public Guardian), Probation, Child Support Services, Public Health, and Fire Department.

Should you have any questions or require additional information, please call me or your staff may call Mr. Henry Roman at 974-2108.

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